Appointment of internal, auditors for companies

2058. SHRI KHAN GHUFRAN ZAHIDI: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Department of Company Affairs has proposal to introduce a system of random scrutiny of financial statements of Indian companies and guidelines for appointment of internal auditors; and

(b) if so, the details thereof?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) and (b) The Naresh Chandra Committee has recommended technical scrutiny of annual accounts of companies on random basis. As at present, no guidelines are bring contemplated for appointment of internal auditors.

Special recovery squads for recovery of NPA

2059. PROF. M. SANKARALINGAM: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether a decision has been taken by the Ministry to set up special recovery squads to recover NPA from the defaulters;

(b) if so, the State-wise details thereof;

(c) what are the other functions of such squads;

(d) whether the Ministry have set up any time-limit for the repayment of the dues by the defaulters; and

(e) if so, the details thereof, and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.

(b) and (c) Do not arise.

(d) No, Sir.

(e) It is left to the banks to deal with the defaulters as per law.